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SAP

Unlocking Enterprise Value: The Real-World Benefits and ROI of SAP's Embedded Business AI

OCTOBER 2025

Executive Summary: The AI Evolution in Business

Automation has long been the catalyst by which organizations have been able to improve productivity, efficiency, and consistency. Over the past several years, pre-programmed robotic process automation (RPA) workflows have given way to more intelligent automation. Subsequently, AI-driven agents and orchestration layers have enabled the automation of end-to-end workflows that can analyze inputs and relevant data, and then take meaningful action without requiring explicit programming or human intervention.

As part of this evolution, vendors are racing to productize agent frameworks and enterprise orchestration (bringing together low-code/no-code automation, model integration, and runtime governance), which moves automation from point solutions into core operational fabric. That shift is visible across platform announcements and product roadmaps that emphasize autonomous agents and integrated automation stacks.

Accessible, usable data is the other half of the equation: clean, timely, and well-modeled data is the foundation upon which AI and automation can deliver accurate and repeatable outcomes. In particular, data accessibility, whether provided through customer data platforms, zero-ETL model pipelines, or pragmatic data governance, is the enabler of usable AI, since insights and automation are only as good as the data that feeds them. Organizations that invest in data plumbing and operationalization (not just analytics experiments) shorten time to value for AI and automation projects and reduce downstream risk from brittle, poorly instrumented systems.

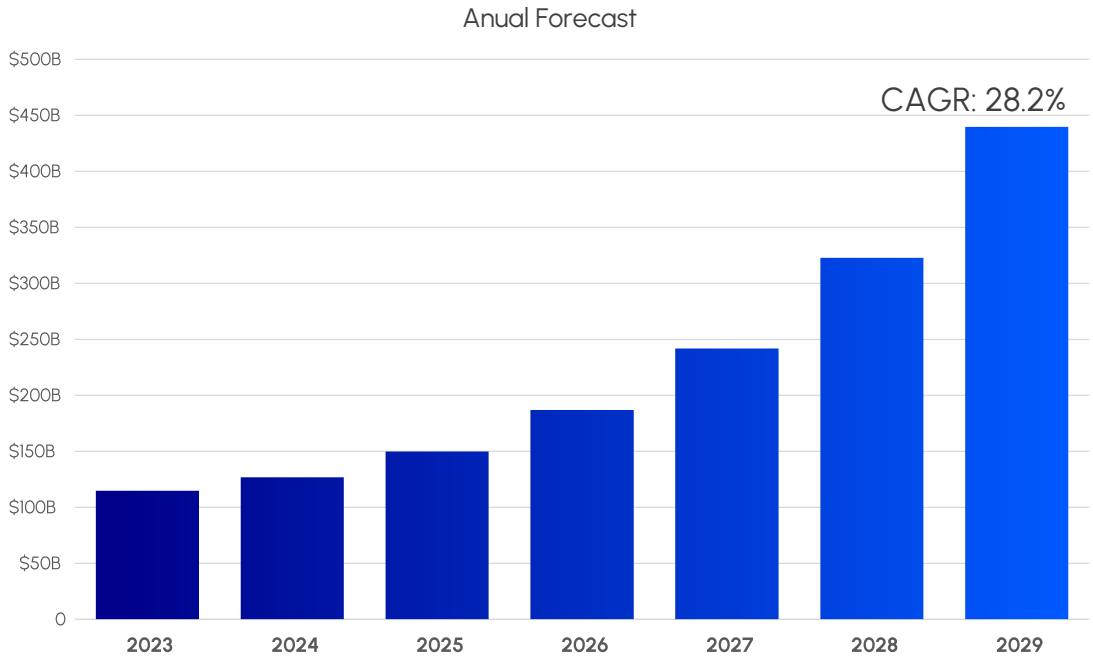
Intelligent automation layered on top of accessible, trusted data will help enable faster decision cycles, higher process fidelity, and the ability to shift human effort toward exception handling and higher-value strategic work.

Key Trends with Enterprise-Grade AI

Enterprise-grade AI is quickly becoming viewed as the primary driver of growth across the enterprise software landscape. AI is accelerating spending and innovation across SaaS and platform vendors, pushing companies to rethink product roadmaps, go-to-market plans, and customer expectations.

In fact, the AI software and tools market is projected to reach an annual market value of $440 billion by 2029, up from just $123 billion in 2023, reflecting a compound annual growth rate of 28.2%, according to Futurum's Q2 2024 Artificial Intelligence (AI) Software/Tools Market Report.

Overall Global AI Market, 2023–2029

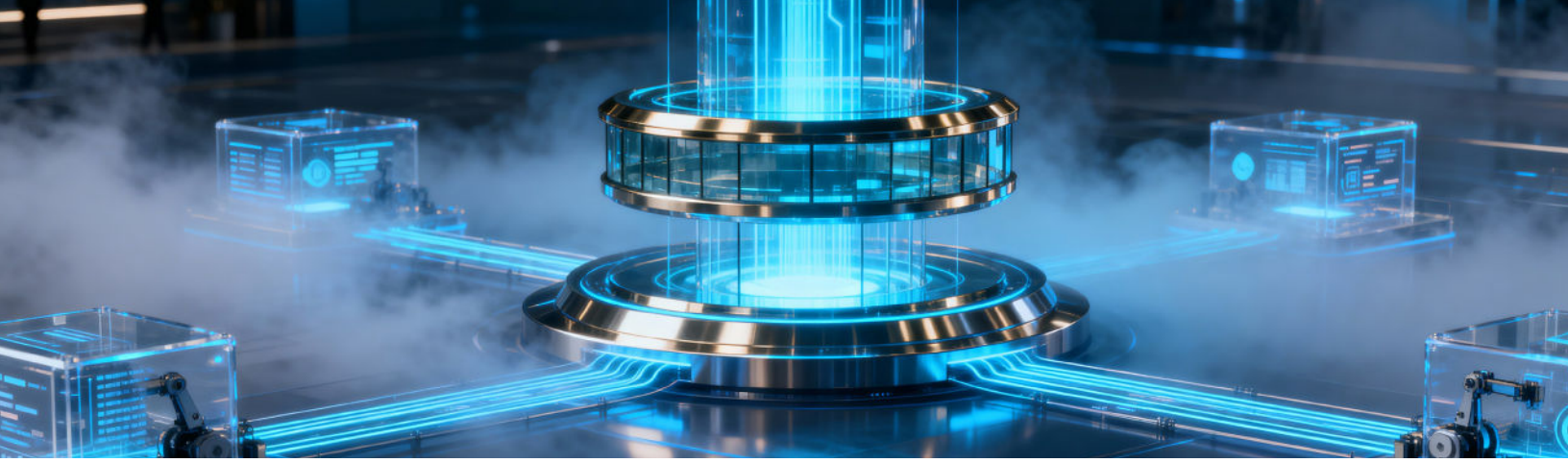


Source: Futurum Group, Q2 2024 Artificial Intelligence (AI) Software/Tools Report, Nov. 2024

That growth is driven not just by bigger model sizes, but by a focus on inference stacks, networking, and dedicated AI services so models can run reliably at scale and deliver predictable latency and cost profiles in production. Notably, the adoption curve is steep, as enterprises are moving from curiosity to committed projects. That shift drives a fundamental mindset change: organizations prioritize proof of value (PoV) over mere PoC. As such, much of the work being done at the enterprise level is focused on measuring business KPIs, and tying AI outputs directly to revenue, efficiency, or experience metrics.

Perhaps most importantly, the responsible use of AI and the implementation of technical guardrails are primary areas of concern for organizations using AI. Built-in privacy protections, usage cotntrols, model provenance, and monitoring is required to detect model drift and unsafe outputs, which are requirements for use of AI within enterprise environments.

Ultimately, unlocking the value with embedded AI is the result of aligning technical capability with measurable business outcomes, accountable ownership, and a culture that treats AI as an evolving product that requires ongoing investment in safety, skills, and integration. Enterprises are best suited to succeed when they can leverage a platform that is built to natively address and support these elements.



SAP's Approach to Delivering Embedded AI

SAP has taken a pragmatic, business-first approach to embedded AI. By designing the platform with AI functionality incorporated into core systems and processes, the key elements required for enabling value from any system – relevance, reliability, and responsibility – are assured. As a result, AI can deliver business outcomes that can be measured, refined, and continuously improved.

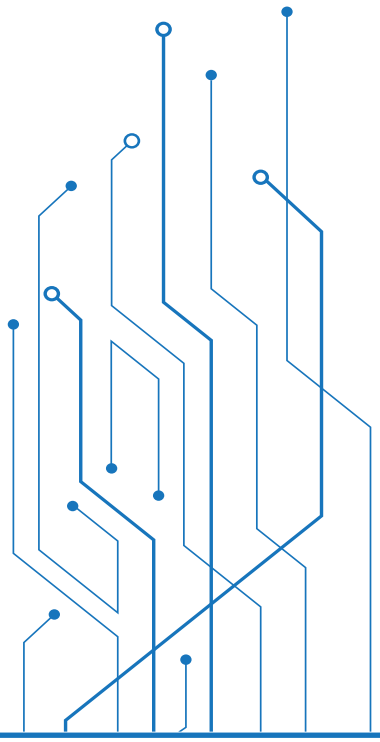
Industry relevance starts with grounding AI models to relevant data sources. SAP leans on the data – product information, ledgers, transaction records, supply-chain entities, and more – and techniques such as knowledge-graph grounding to ensure AI responses are meaningful in a business context. Setting model boundaries and constraints reduces the hallucination risk and ensures that recommendations are relevant and actionable.

SAP's platform-first architecture co-locates AI primitives (low-level capabilities, such as memory stores, tool APIs, and vector databases that provide granular control over system architecture and data flow), pipelines, and governance with core products, while its Joule AI-powered assistant functions as the in-flow copilot and orchestration layer. Joule Studio's low-code/pro-code tooling lets partners and customers compose contextual agents that span SAP and non-SAP systems.

To accelerate adoption, SAP bundles industry and process templates that map to real use cases in finance, supply chain, and HR. These packaged scenarios decrease time-to-value, reduce friction for users, and create clear KPI hooks that can illustrate real-world business value. SAP also emphasizes benchmarking, robustness testing, and engineering practices so AI behaves predictably at enterprise scale, a core requirement when AI influences and interacts with planning, compliance, or customer activities.

Explainability and governance are embedded as product features, not afterthoughts. SAP pairs ethics principles with technical guardrails – monitoring, drift detection, provenance, and audit logs – so organizations can operate AI with human oversight and regulatory defensibility. SAP only uses customer-consented data and governs it using the same access controls that customers have already approved.

> "It changes the culture when reporting becomes effortless – suddenly, people do it more often and with better detail."
>
> **-Sandra Völler, CEO, AGILITA**



Understanding Business Economic Value

The Business Economic Value (BEV) framework, developed by The Futurum Group, is a proven methodology for evaluating how technology investments, including AI embedded in SAP business applications, deliver measurable business impact. While the BEV framework is not specific to SAP, in this context, it is applied to assess outcomes in real-world SAP customer environments. To evaluate impact, Futurum Research Directors Donald Jin and Keith Kirkpatrick conducted in-depth interviews with SAP customers and reviewed additional case materials provided by SAP. These inputs form the basis for understanding how AI capabilities embedded within SAP's business solutions generate value.

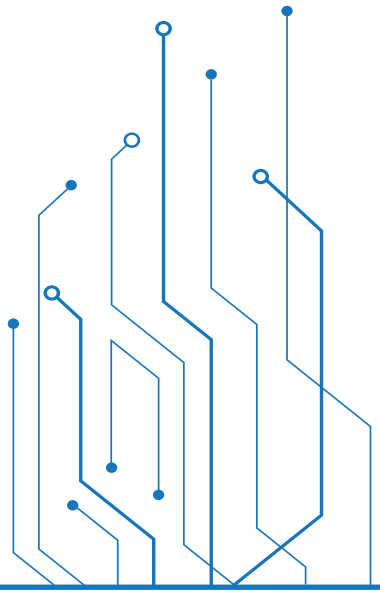
Each case was analyzed across four core value dimensions to align with the "Unlocking Enterprise Value" narrative:

- **Productivity gains:** Time saved or capacity unlocked through automation of repetitive or manual work.
- **Cost reductions:** Decreased operational or administrative expenses.
- **Financial optimization:** Improved billing cycles, revenue assurance, and cost recovery.
- **Enhanced decision-making:** Better insights, faster decisions, and improved business alignment.

The BEV approach combines qualitative insights with analysis of implementation results and the business context in which solutions operate. Where hard metrics were unavailable, analysts identified clear patterns of efficiency, insight, and strategic benefit. This ensures that each example complements this white paper's broader argument that AI embedded in SAP business applications delivers value not only through technical capability but through measurable, enterprise-level outcomes.

"When you can show time saved, fewer errors, and better alignment across teams, the business case for AI becomes very clear."

-Manager of HR Systems, Analytics and Reporting, Global Industrial Manufacturer



Customer Stories of SAP Embedded AI in Action

AGILITA

AGILITA, a SAP partner and consulting firm based in Switzerland and Germany, implemented a mobile-first, voice-enabled time reporting application to streamline workflows for AGILITA consultants. Built on SAP Business Technology Platform (SAP BTP), SAP AI Core, and a HANA AI database, the solution allows consultants to log time using natural voice input, which is converted into polished, grammatically correct, project-aligned text. The application also distinguishes between project and HR time, a distinction important for accurate billing and internal resource tracking, enabling streamlined dual reporting across systems.

"You don't log in. You don't search for the project. You just speak," said Sandra Völler, CEO of AGILITA. "And it finds the right task, the right client, and the right day. Then, it suggests the correct sentence in clean German. That's AI simplifying real work." This has reduced inefficiencies and effort in completing routine tasks, enabling a shift from weekly to daily time reporting.

AGILITA expects to save around 4,000 hours annually, equivalent to roughly 400 workdays, by reducing both consultant and project manager effort. Internal projections estimate annual labor cost savings of approximately $400,000, delivering an ROI of 221% in the first year and a payback period of less than six months. The company also achieved faster billing cycles, fewer payment disputes, and more predictable revenue streams. Beyond internal use, AGILITA has commercialized the application for client deployment.

Global Industrial Manufacturer

A US-based global industrial manufacturer implemented AI capabilities embedded within SAP SuccessFactors to improve goal creation and alignment across its workforce. The AI-powered goal management feature enables managers to quickly generate preliminary goal statements tailored to employees, helping to initiate more effective development conversations.

According to the Manager of HR Systems, Analytics and Reporting, "We're hearing from HR partners that the quality of conversations around performance and development goals is improving." Adoption required minimal training: "You don't need a training session, you can just start using it."

Within weeks, thousands of users had benefited from improved consistency in goal language, faster goal completion, and more substantial alignment during performance evaluations. These improvements have led to early indications of improved accuracy in performance documentation and greater confidence in year-end reviews.

Multinational Healthcare Provider

A multinational healthcare provider began its journey with AI embedded in SAP business applications by deploying capabilities within HR and shared services. Early use cases focused on improving employee self-service, such as enabling staff to update personal information, access pay slips, or request time off without HR intervention. The AI-embedded applications also enhanced recruitment workflows, including automating applicant screening, interview scheduling, and onboarding. These capabilities streamlined high-volume, repetitive tasks that traditionally required significant manual effort.

According to the Group General Manager of Global Applications, "We're only scratching the surface, but we're already seeing better structure and flow in how information is processed." Key challenges included ensuring robust mobile functionality, vital for shift-based clinical staff, and meeting localization needs such as multi-language support and region-specific configurations. Localization was essential for accurate translations in HR workflows across countries.

While ROI is still being measured, the healthcare provider has already reduced administrative errors and rework, laying the groundwork for long-term cost control and improved decision-making as adoption expands. Over time, these improvements could also lead to shorter process cycle times, enhanced employee satisfaction from quicker service resolution, and stronger compliance through more accurate and consistent recordkeeping.

Leveraging Continuous Innovation to Unlock Quantifiable Value

Continuous innovation becomes a measurable engine of value when organizations treat it less like a slogan and more like a cadence: small, frequent experiments that tie directly to business KPIs. By capturing clear before/after metrics – time saved, error rates reduced, revenue uplift per user – leaders can demonstrate tangible ROI and move beyond speculative business cases to repeatable playbooks for scale. This pragmatic approach to iterative delivery is central to unlocking quantifiable value from new capabilities such as intelligent automation and embedded AI.

Deploying new capabilities responsibly, using guardrails for data privacy, clear provenance for AI outputs, and enterprise-grade controls for generative models, builds the confidence users, business leaders, and regulators demand. Responsible rollout strategies (staged pilots, human-in-the-loop checks, and transparent governance) turn novelty into durable capability rather than a one-off risk.

To ensure future-proofing, enterprises that link vendor roadmaps with internal capability-building, including training, data ops, and outcome-based pilots, can reduce technical debt and keep pace with shifting business requirements. Services that help operationalize Copilots and other AI tooling make this transition safer and faster.

Finally, sustainable growth from AI flows from connecting innovation to long-term business models: automating repeatable work to free capacity for higher-value tasks, using predictive analytics to reduce customer churn and cost, and embedding AI into product and service lines to create new revenue streams.

Conclusion and Next Steps

SAP's embedded approach treats AI as a practical layer inside business applications – not a bolt-on experiment. Built-in capabilities in SAP Business AI and the broader SAP portfolio are designed to drive immediate productivity gains across finance, supply chain, HR, and IT, so organizations get measurable improvements quickly, rather than focusing on future benefits.

Those same embedded capabilities materially improve decision quality and financial outcomes when they're applied to high-value domains. SAP's finance AI offerings – predictive analytics, anomaly detection, and automation across close and treasury processes – are explicitly positioned to boost financial resilience: improving forecasting, reducing risk, and uncovering revenue or working-capital opportunities.

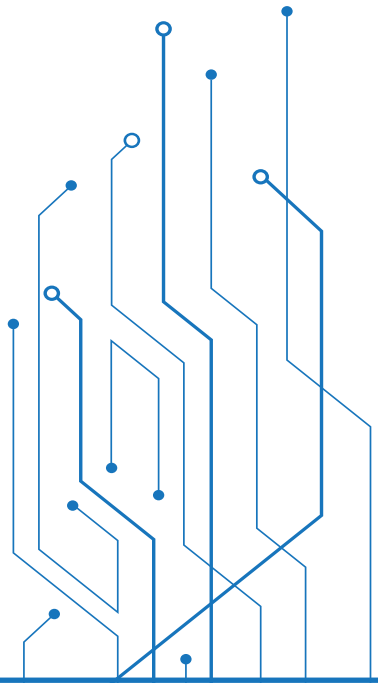
Enterprises can begin their AI journey by identifying high-friction, high-frequency workflows where embedded AI can remove steps or improve accuracy. Using SAP's out-of-the-box features, Joule agents, and the Business AI feature catalog and estimator to scope potential value with minimal custom development can reduce implementation cost and governance complexity.

Identifying targeted use cases, built-in capabilities, and disciplined measurement with governance can help organizations leverage the value of embedded AI across their organization in a timely and stepwise fashion.

To learn more, visit https://www.sap.com/products/artificial-intelligence.html

"We're just at the beginning, but the potential to scale these benefits across more processes is huge."

- Sandra Völler, CEO, AGILITA



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SAP is a global leader in enterprise application software, helping businesses of all sizes and industries run efficiently and adapt continuously. With a comprehensive suite of solutions spanning ERP, supply chain, finance, and customer experience, SAP enables organizations to integrate and streamline core processes. A key differentiator is SAP's embedded AI capabilities, which are infused across its portfolio to automate tasks, enhance decision-making, and drive predictive insights. These AI-driven features are designed to help businesses become more agile, resilient, and intelligent in today's fast-changing environment. SAP serves more than 400,000 customers worldwide, including many of the world's largest and most complex enterprises.

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